



*California Environmental  
Protection Agency*



## **MEMORANDUM OF UNDERSTANDING**

Between the

**CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY**

And the

**CALIFORNIA RESOURCES AGENCY**

For the

**WATERSHED, CLEAN BEACHES, AND WATER QUALITY ACT  
INTEGRATED WATERSHED MANAGEMENT PROGRAM**

Pursuant to Division 20.4 of the Public Resources Code

April 28, 2003

### **I. BACKGROUND**

Clean beaches, clean water, and healthy watersheds are part of the legacy of California, and necessary to support the State's resources, environment and communities, both human and wildlife. This natural legacy is as important to California's economy as it is to the quality of life it provides, the recreational opportunities it offers, and the sense of natural heritage it promotes. Each generation has an obligation to be good stewards of those resources in order to pass them on to their children.

Watershed management is a valuable approach to meeting California's comprehensive resource needs and water quality objectives. Watersheds provide a useful, natural unit to integrate and coordinate the many natural resource programs of state agencies. Multiple state agencies within the California Environmental Protection Agency (Cal/EPA) and the Resources Agency (Resources) are currently administering programs that provide technical assistance or financial support for various aspects of watershed management and/or restoration. Public land managers are actively restoring landscapes, acquiring lands for preservation and conservation purposes, and managing public lands for improved resource and habitat value. Hundreds of

watershed partnerships exist in the state, dedicated to the restoration and management of the state's streams, rivers, and lands, and the use of watershed management principles and practices. Coordinated implementation of the agencies' watershed programs with other programs administered by those agencies, is crucial to addressing critical problems and the efficient and effective use of public funds.

## **II. LEGISLATIVE INTENT**

The intent of the Watershed, Clean Beaches, and Water Quality Act, (Act) authored by Assembly-member Pavley, (Division 20.4, section 30901 et seq. and Division 21, Chapter 5.5, section 31220 of the Public Resources Code) is that state agencies will:

- Coordinate and integrate statewide watershed, funding, projects, and programs.
- Work with diverse interests at the local level.
- Invest in community based watershed management partnerships.
- Allocate balanced funding of watershed projects.
- Include a stakeholder advisory process to assist in setting priorities and allocating funds for watershed projects.

The Act also establishes the Integrated Watershed Management Program (IWMP) to coordinate watershed programs and funding with other programs to more efficiently and effectively:

- Improve water quality.
- Protect, and restore habitat and fisheries.
- Reduce flooding.
- Control erosion and sedimentation.
- Improve local water supply reliability through better ground water monitoring.
- Improve river corridor recreation, forestland and fuel management, and hydropower management.

## **III. MOU PURPOSE**

The purpose of this Memorandum of Understanding (MOU) is to:

- Establish a statewide partnership and framework for improved integration and coordination of watershed policies, funding, and program implementation.
- Specify the responsibilities of the State agencies in support of this partnership and framework.

- Specify processes for stakeholder participation in this partnership, framework, and watershed decision-making.

Currently, many watershed programs are coordinated with other programs in an informal manner. This MOU between the Cal/EPA and Resources (Agencies) establishes a framework for state agencies to build upon existing processes, programs, previous watershed efforts (AB 2117 Joint Watershed Task Force, California Biodiversity Council Watershed Workgroup, etc.) and improve environmental decision-making, through watershed management principles which include the following:

- Developing coordinated and complementary strategies and solutions for watershed management across land ownership and agency jurisdictional boundaries.
- Supporting multiple state program priorities and goals, rather than only a single state program's priorities or goals.
- Coordinating program delivery between state and federal agencies to fit the needs of individual watersheds.
- Encouraging community-based, collaborative partnerships to meet the state's watershed management goals.
- Ensuring that the IWMP is coordinated with other programs administered by the Agencies.
- Ensuring that funding of watershed projects is balanced, geographically diverse, and includes effluent reduction and source protection to the extent feasible.
- Making public, the establishment of watershed program priorities.
- Leveraging funding between departments to maximize watershed results.
- Promoting public participation in decision-making.
- Monitoring and reporting program effectiveness.

#### **IV. STATEWIDE PARTNERSHIP AND FRAMEWORK**

The Secretaries for Cal/EPA and Resources and their departments, offices, commissions, conservancies, authorities, and boards (Agency Programs) are committed to implementation of the Act, to revision of the existing decision-making, funding, and coordination processes of each Agency, to ensuring environmental justice, and to implementation of the IWMP.

The IWMP partnership will provide:

- A high level forum for information exchange, problem solving, and evaluation of the integration and coordination of California's watershed policies and programs.

- Recommendations for Agency Programs to move traditional program-based decision-making processes toward more holistic watershed-based decision-making.

The IWMP is the framework for establishment of the California Watershed Council (CWC), a partnership of state agencies, the public, regional and local watershed organizations, interested federal and local governmental agencies, tribal nations, water management groups, and other organizations working to improve the health of California's watersheds.

The primary vehicle for stakeholder participation in the IWMP will be the CWC. The framework established by this MOU applies to existing and future programs, regardless of fund source. The process described in this MOU is the accelerated selection and contracting procedure required in Public Resources Code sections 30948 and 30949.

#### **A. California Watershed Council**

The CWC will be established by, and make recommendations to, the Secretaries for Cal/EPA and Resources. The CWC will be co-chaired by the Secretaries for Cal/EPA and Resources, and a public member to be nominated and agreed to by the Secretaries. The CWC will be a partnership of executive level representatives of State Agencies, the public, regional, and local watershed groups, interested federal and local governmental agencies, tribal nations, water management organizations, and other organizations. Meetings of the CWC will be open to the public, will provide an equal opportunity for all attendees to participate, and will be held at least twice per year. The purpose of the CWC is to review, evaluate, and provide recommendations that will guide implementation of California's watershed programs, including the overall integration of watershed activities, funding opportunities, priorities, strategies, and to serve as a forum for problem solving.

The CWC will:

- Advise and make recommendations to the Secretaries on priorities, strategies, and improvements to watershed activities, and programs, and, if no conflict of interest exists, processes for grant making, funding, and decision-making. (Individual members shall not participate in the development of recommendations if they have a conflict of interest in the subject matter discussed.)
- Advise and make recommendations for development and implementation of the California Watershed Strategy/Strategic Plan. The California Watershed Strategy will provide a blueprint for future statewide watershed management including overall integration of

watershed activities, programs, and processes for funding, grant making, and decision-making where no conflict of interest exists.

- Advise and make recommendations for the development and implementation of the multi-objective grant funding identified in Section 30947 of the Public Resources Code.
- Sponsor watershed forums in the nine watersheds corresponding to the State Water Resources Control Board's (SWRCB) Regional Board boundaries to evaluate the state of watershed programs in each region and to identify issues within those watersheds.
- Recommend issues for inclusion in annual Report to the Legislature, including status of the IWMP, Watershed Strategic Plan implementation, and CWC activities.
- Recommend statutory changes for more efficient and effective watershed management.
- Advise and make recommendations for the development, monitoring, reporting, and maintenance of environmental indicators in monitoring and reporting of watershed projects and programs.
- Advise and make recommendations for improvements to:
  - Coordination of funding opportunities.
  - Development of regional watershed partnerships.
  - Technical assistance to watershed groups and citizen volunteers.
  - Capacity building of watershed groups and volunteer efforts.
  - Information exchange including data input, storage, and retrieval.
  - Efficiencies in programs and processes.
  - Performance measurements and evaluation of the IWMP.

#### **B. State Agency Responsibilities**

This MOU cannot be implemented without the cooperation and involvement of the state agencies. The Secretaries for Cal/EPA and Resources will oversee the implementation efforts of this MOU. This MOU will focus on Agency Programs within Cal/EPA and Resources initially, and other programs in subsequent phases.

The responsibilities of the Secretaries include, but are not limited to the following:

- Establish and sponsor the CWC.
- Consider and approve, as appropriate, recommendations developed by the CWC for implementation by Agency Programs.
- Establish a reporting process to monitor the success of the CWC.
- Establish a reporting process to monitor the success of Agency Programs in implementing recommended changes.

- Meet regularly with the heads of the Agency Programs to discuss results.
- Request that budget proposals, legislative proposals, and the program administration of each Agency Program identify, support, and implement the approved recommendations of the CWC.
- Report to the Legislature on implementation of the IWMP and provide suggestions for statutory changes necessary to ensure efficient and effective watershed management.

Specific Agency Program responsibilities include, but are not limited to the following:

- Implement recommendations developed by the CWC and approved by the Secretaries into Agency Programs, priorities, strategies, activities, and budget and legislative proposals.
- Actively participate in the CWC and develop annual strategies for implementation of CWC recommendations approved by the Secretaries.
- Incorporate watershed management principles into program decision-making.
- Coordinate watershed programs for more effective and efficient delivery of watershed programs and funding.
- Incorporate a collaborative public comment process into watershed program decision-making processes and watershed programs when appropriate.
- Develop and post watershed program priorities and goals on a central watershed web site.
- Award grants and fund projects that support the goals of the primary funding agency, local watershed needs and plans, and that benefit the program priorities of multiple state agencies.
- Ensure watershed decisions that are based on sound scientific principles.
- Encourage locally driven, bottom-up watershed solutions.
- Incorporate local watershed environmental needs and local watershed plans into watershed program decision-making.
- Eliminate administrative barriers and make program decisions by using watershed boundaries.

If recommendations are not implemented, the Agency Program shall provide an explanation to the Agency Secretaries and CWC.

This MOU recognizes that funding decisions are made by Agency Programs.

## **C. Stakeholder Participation**

Stakeholder participation will occur through the CWC, and regional watershed forums established by the CWC. The CWC, through its composition and open forum process, shall constitute the stakeholder process required by AB 2534.

## **V. IMPLEMENTATION**

A phased approach will be used to develop and test new strategies/processes. This phased approach allows for evaluation of new strategies and effectiveness and provides opportunity for stakeholder feedback. These phases will be adjusted annually and some activities may occur concurrently. The CWC and other stakeholders will evaluate each phase and recommend amendments to the MOU as necessary.

### **A. PHASE I (02/03):**

Phase I will include establishment of the statewide framework (IWMP), establishment of the CWC partnership, and begin evaluation of funding programs for coordination and integration. Cal/EPA and Resources will hold the initial meeting of the CWC prior to the end of Phase 1, if possible.

#### **Specific Actions:**

1. Agency Secretaries meet with Agency Programs.
2. Agency Secretaries establish CWC and schedule initial meeting.
3. Agency Secretaries and agency programs begin evaluation and review of funding programs for coordination and integration.

### **B. PHASE 2 FY (03/04)**

Phase II will build upon the success of Phase I, and continue evaluation of funding programs for coordination and integration. The CWC will develop recommendations for criteria to be selected for grant and award programs that will be coordinated in the FY 2003/04 timeframe.

#### **Specific Actions:**

1. CWC holds initial meeting. CWC recommends specific programs and/or issues for coordinated processes.
2. CWC recommends strategy for review and modification, if needed, of the draft State Agency Watershed Strategic Plan.
3. CWC recommends a process for implementation of the MOU and development of the California Watershed Strategy.
4. CWC identifies priority programs, issues, and processes for meeting multiple program priorities and goals.

5. CWC recommends specific programs and/or issues for coordinated processes.
6. CWC reviews funding opportunities, Agency Program goals, and CWC priorities and issues for applicability, integration, and coordination.
7. CWC develops recommendations for criteria to ensure that the award of watershed project funding meets the goals and priorities of the CWC and this MOU.
8. CWC makes recommendations for the development of the IWMP, and processes for the new grant program (Public Resources Code section 30947).
9. CWC utilizes existing programs including the Environmental Protection Indicators for California (EPIC), California Environmental Resource Evaluation System (CERES), Resources Agency Legacy Program, and the SWRCB's GeoTracker, for information dissemination, exchange, monitoring, and reporting by state decision-makers, watershed groups, and the public.
10. CWC begins annual reporting to the Legislature on implementation of the IWMP and recommendations for statutory changes for efficient and effective watershed management.
11. CWC continues development and updating of the California Watershed Strategy.

### **C. PHASE III (04/05)**

Phase III will focus on the remaining watershed programs within Cal/EPA and Resources and will identify programs and agencies outside of Cal/EPA and Resources for coordination and integration.

#### **Specific Actions:**

1. CWC evaluates the success of Phase II, and recommends improvements identified during the evaluation.
2. CWC finalizes recommendations for coordinating programs within Cal/EPA and Resources.
3. CWC identifies agencies outside of Cal/EPA and Resources for coordination of programs.
4. CWC reviews implementation of the California Watershed Strategy.
5. CWC continues annual reporting to the Legislature on the implementation of the IWMP and makes suggestions for statutory changes for efficient and effective watershed management.

## **VI. PROVISIONS AND AGREEMENTS**

Nothing in this MOU is intended to delegate, limit, or expand any Agency or Agency Program's responsibilities, statutory and other authorities, or discretion. This MOU can be executed in parts. Certain monies specified in



Public Resources Code section 30947 for the SWRCB are subject to the terms of this MOU. Funds allocated to the IWMP in Public Resources Code section 30947, may be used by the SWRCB, subject to the terms of this MOU.

Based upon an annual review of program implementation by the CWC, Agencies, and Agency Programs, the MOU will be reviewed and amended if necessary. The CWC will be asked to provide input as to the success of previous efforts and to suggest alternative structures or processes or any other recommendations to the Secretaries for Cal/EPA and Resources.

This MOU shall remain in effect unless terminated by either Agency Secretary.

This MOU is not a contract; but defines a partnership and cooperative process for improving the health of California's watersheds.

**VII. SIGNED AND DATED**

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Mary D. Nichols  
Secretary for Resources

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Winston H. Hickox  
Secretary for Environmental Protection

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Date

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Date